

2003-05 Balance Sheet

Including Governor Gregoire's Proposed 2005 Supplemental Budget
General Fund - State
(Dollars in Millions)

RESOURCES	
Beginning Fund Balance	404.6
November 2004 Forecast	23,172.7
Non-Economic Change (Estate and Agrilink)	(242.9)
March 2005 Forecast Update	301.1
Current Revenue Totals	23,230.9
2003 Fund Transfers and Other Adjustments	139.4
Federal Fiscal Relief - Grant	90.2
2004 Supplemental: Money Transfers from Other Funds	62.2
2005 Supplemental: Continuation of Liquor Surcharge	1.1
Changes in Reserves and Other Adjustments	154.6
Total Resources (Includes Fund Balance)	24,083.0
APPROPRIATIONS AND SPENDING ESTIMATES	
Biennial Appropriation	23,081.4
2004 Supplemental Appropriations as Enacted	164.7
Governor's Proposed 2005 Supplemental	219.1
Spending Level	23,465.2
UNRESTRICTED GENERAL FUND BALANCE	
Projected Ending Fund Balance	617.8

Governor Gregoire Proposed Supplemental Budget Revisions

18-Mar-05

Dollars in Thousands

	State General Fund	Other Funds	Total
Locke Supplemental Budget as revised January 6	\$141,314	(\$63,074)	\$78,240
Operating Budget Changes Identified in OFM's February 25 memo:			
Military Department			
Readiness Centers maintenance (from additional rent)	0	50	50
Federal grants for additional security staff at Camp Murray	0	315	315
Dept. of Community, Trade, and Economic Development			
Replacement of unfunded FY 2005 expenses for Agricultural Lands Study (SB 6488)	75	0	75
Appropriation from Housing Assistant Account for program administration		450	450
Secretary of State			
Additional legal costs for contested election	250	0	250
Office of the Governor			
Transition costs	130		130
Office of Financial Management			
Implementation of Education Finance Study	45	0	45
Department of Social and Health Services:			
Reduction in amount for Juvenile Rehabilitation November caseload increase	(1,076)	0	(1,076)
Special Commitment Center - Reduction in amount for census increase	(263)	0	(263)
Meeting federal TANF MOE Requirements	5,000	0	5,000
Reversion to 12-Month Children's Medical Eligibility Reviews	58	1,421	1,479
No Increase in Selective Hospital Contracting Rates	(1,000)	(1,000)	(2,000)
Department of Fish and Wildlife			
Regional Fisheries Enhancement Group Program - New Federal Funding		1,000	1,000
State Wildlife Grant - New Federal Funding		1,500	1,500
Department of Natural Resources			
Emergency Fire Suppression	2,130	165	2,295
Washington State Patrol			
Federal drug interdiction funding	0	250	250
Department of Labor and Industries			
Crime Victims' Compensation Program-increased medical costs	0	853	853
Special Appropriations			
General Fund appropriation to Public Safety and Education Account	853	0	853
University of Washington: Korean Studies Endowment	500		500
Subtotal for New Items	6,702	5,004	11,706
	\$148,016	(\$58,070)	\$89,946

Forecast Changes and Other Revisions:

Dept of Community, Trade, and Economic Development			
Ferry County Assistance	150		150
Military Department			
Disaster Recovery Efforts		(16,681)	(16,681)
Department of Social and Health Services			
Developmental Disabilities Caseload Adjustment	1,347	1,348	2,695
Fircrest School Downsizing	(108)	(108)	(216)
Long Term Care Caseload Adjustment	(1,308)	(1,308)	(2,616)
Long Term Care Forecast Cost/Utilization	(694)	(631)	(1,325)
Children's Administration Moving costs to Seattle	2,985	1,280	4,265
Child Support Collection Federal Compliance	1,800	300	2,100
Medical Assistance Caseload Adjustments	(946)	5,445	4,499

	State General Fund	Other Funds	Total
Medical Assistance Utilization and other changes	17,258	26,562	43,820
Superintendent of Public Instruction			
Enrollment/Workload Adjustment/Compensation Adjustment	(1,706)	10	(1,696)
Adjustment to Levy Equalization	19		19
Pension Adjustment	1		1
Department of Ecology			
Emergency Drought Declaration		1,800	1,800
Department of Natural Resources			
Drought Response Firefighting Crews	200		200
Special Appropriations			
General Fund appropriation to Health Services Account	45,000		45,000
General Fund appropriation to Public Safety and Education Account	5,300		5,300
General Fund appropriation to Emergency Water Account	1,800		1,800
Subtotal of New Items	71,098	18,017	89,115
	\$219,114	(\$40,053)	\$179,061

Treasurer's Transfers - Revenue:

Transfer to the to the Water Pollution Control Account from the Water Quality Account	5,000	5,000
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Proviso Changes Only:

Department of Labor and Industries: Technical changes to two provisos for cholinesterase funding

Governor Gregoire Proposed Supplemental Budget Revisions

Forecast Changes and Other Revisions

Department of Community, Trade, and Economic Development – Local Assistance

Financial assistance is provided to Ferry County. This grant is contingent upon the county seeking professional expertise to assist them in improving their financial and management abilities.

Ferry County Assistance

\$150,000 General Fund – State

Military Department

Recovery work continues on infrastructure damaged by the Nisqually Earthquake of 2001 and the October 2003 floods. Most of this work has already begun, and both disaster efforts are anticipated to be closed by the end of Fiscal Year 2008. Expenditure estimates are adjusted each quarter; this adjustment reflects expenditure estimates as of February 2005 and affects the Disaster Recovery activity.

Disaster Recovery Efforts

\$88,000 Disaster Response Account-State
\$(806,000) Disaster Response Account-Federal
\$(3,344,000) Nisqually Earthquake Account-State
\$(12,619,000) Nisqually Earthquake Account-Federal

Department of Social and Health Services - Developmental Disabilities – Caseload Adjustments

This item adjusts funding for personal care services (PCS) for 2005, as forecasted by the Caseload Forecast Council (CFC) in its March forecast. The forecast includes both the Medicaid personal care and the waiver personal care caseloads for Fiscal Year 2005. The CFC estimates that the caseload will drop by 495 cases from the levels assumed in the 2004 Supplemental Budget for these two personal care programs. This item affects the Personal Care activity.

Caseload Adjustments

\$1,347,000 General Fund-State
\$1,348,000 General Fund-Federal

Department of Social and Health Services - Developmental Disabilities – Fircrest School

The 2003-05 Fircrest cottage downsizing project is nearly complete. Current cost estimates indicate that these funds are no longer necessary. Fircrest is a Residential Habilitation Center located in Shoreline.

Fircrest Downsizing

\$(108,000) General Fund – State
\$(108,000) General Fund – Federal

Department of Social and Health Services – Long Term Care – Caseload Adjustments

Savings are reflected and funding is provided for the costs associated with caseload changes in the November 2004 forecast from the Caseload Forecast Council. These caseloads are the basis for the November 2004 long-term care (LTC) forecast produced by the Department of Social and Health Services' (DSHS) Budget Office. This item affects multiple LTC activities.

Long Term Care Caseload Adjustments

\$(1,308,000) General Fund – State
\$(1,308,000) General Fund – Federal

Department of Social and Health Services – Long Term Care – Cost/Utilization Adjustments

Savings are reflected and funding is provided for the costs associated with the cost and utilization changes in the November 2004 forecast from the DSHS Budget Office. This forecast is based on the Caseload Forecast Council November 2004 forecast. This item affects multiple long-term care activities.

Forecast Cost/Utilization Adjustments

\$(694,000) General Fund – State
\$(631,000) General Fund – Federal

Department of Social and Health Services – Children’s Administration – Moving Expenses

Children's Administration incurred increased costs associated with their move to the Lanes Building in Seattle, including the cost of telephones, movers, workstations and chairs. In addition, funding to support current staffing levels is provided here.

One-time Moving Costs	\$2,985,000 General Fund – State
	\$1,280,000 General Fund – Federal

Department of Social and Health Services – Children’s Administration – Federal Compliance

Child Support Collections are now being attributed to the month of service in state care as required by federal law. In the past, the department had treated them as cash available according to the month of receipt. This change resulted in a one-time loss of revenue to the program of \$1.8 million GF-State and \$2.1 million total funds. This provides a one time adjustment to recognize the enactment of this federal law change.

Child Support Collection Federal Compliance	\$1,800,000 General Fund – State
	\$300,000 General Fund – Federal

Department of Social and Health Services – Medical Assistance Program

The November 2004 forecast of persons eligible for Medical Assistance Administration medical services indicates caseloads will increase over the Fiscal Year 2005 budgeted level in the following areas: Categorically Needy Temporary Assistance for Needy Families (TANF) clients, disabled workers, Medically Needy blind and disabled clients, general assistance-unemployable (GAU) clients, recipients of alcohol and substance abuse intervention services, refugees, qualified Medicare beneficiaries, and State Children's Health Insurance Program (SCHIP) recipients. The largest caseload increases are in GAU with a 15 percent increase from Fiscal Year 2005 to 2006, and a 41 percent increase from Fiscal Year 2005 to 2007; and in SCHIP with a 9 percent increase from Fiscal Year 2005 to 2006, and a 37 percent increase from Fiscal Year 2005 to 2007.

Caseload declines were seen in the following areas: Categorically Needy (CN) aged, blind, and disabled people; and Categorically Needy other children. The CN children's caseload declined 4 percent from Fiscal Year 2005 to 2006, and declined 17 percent from Fiscal Year 2005 to 2007. Although the percentage changes are not so large as some of the increases, the numbers of people affected are greater as the caseload for these groups is high. This item affects all medical assistance activities except for Disproportion Share Hospital, Proshare, and Administrative.

Medical Assistance Caseload Adjustments	(\$946,000) General Fund – State
	\$7,548,000 General Fund – Federal
	(\$2,103,000) Health Services Account

Supplemental adjustments need to be made in several areas of the Disproportionate Share Hospital (DSH) and ProShare program activities. The largest change is a correction in the Teaching/Harborview Medical Center program to allow new transactions to occur in each of the two fiscal years, rather than just one.

ProShare and DSH Adjustment	(\$2,353,000) General Fund – State
	\$4,805,000 General Fund – Private/Local
	\$2,451,000 General Fund – Federal

This item illustrates the changes in utilization of medical services by Medical Assistance Administration (MAA) clients, as estimated in the Medical Assistance Fall 2004 Forecast. This item affects all medical assistance activities other than Disproportionate Share Hospital, Proshare, and Administrative.

Utilization Charges	\$19,837,000 General Fund – State
	\$4,908,000 General Fund – Federal
	\$16,429,000 Health Services Account – State

The most recent estimates of the cost of design, development and implementation (DDI) of the new Medicaid Management Information System (MMIS) indicate the current biennium costs will be slightly higher because of the addition of needed staff. Over 80 percent of the additional cost will be covered by federal funds. This item affects the Administrative activity. (General Fund-State, General Fund-Federal)

MMIS Reprocurement	(\$226,000) General Fund – State
	(\$2,031,000) General Fund – Federal

Superintendent of Public Instruction

The March enrollment forecast for K-12 enrollment is higher than the November forecast, increasing by 303 for general K-12 enrollments, by 141 in special education enrollments and 495 for students in the transitional bilingual program. These enrollment increases are offset by other workload decreases, such as lower than expected weighted pupil transportation miles.

Enrollment/Workload Adjustments	(\$1,706,000) General Fund – State
	\$10,000 General Fund – Federal

The levy equalization payments required to match 2005 levy collections are lower than expected, decreasing the Local Effort Assistance activity by \$718,000.

Adjustment to Levy Equalization	\$19,000 General Fund – State
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Pension calculations are affected by enrollment changes.

Pension Adjustment	\$1,000 General Fund – State
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Department of Ecology – Drought Declaration

On March 10th, 2005 the Governor authorized an emergency Drought declaration. The Department of Ecology will begin processing emergency water right requests, coordinate water purchases and mitigation agreements, and monitor water use.

Emergency Drought Declaration	\$1,800,000 State Emergency Water Projects Revolving Account – State
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Department of Natural Resources – Fire Expenses

Unseasonably dry winter weather has increased the risk of drought and wildfire this summer, and will likely cause the fire season to begin early. Funding is provided to accelerate the hiring and training of seasonal firefighting crews, enabling DNR to be fully equipped to respond to wildland fires by the start of fire season.

Drought Response Firefighting Crews	\$200,000 General Fund – State
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Special Appropriations

An appropriation of \$45 million is made from the General Fund to the Health Services Account.

Health Services Account	\$45,000,000 General Fund – State
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Increases in expenditure demands and insufficient revenue projections require that General Fund monies be appropriated to the Public Safety and Education Account to support essential activities.

Public Safety and Education Account	\$5,300,000 General Fund – State
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On March 10, 2005, the Governor authorized an emergency Drought declaration. The Department of Ecology will begin processing emergency water right requests, coordinate water purchases and mitigation agreements, and monitor water use. General Fund-State dollars are appropriated to the Emergency Water Account for expenditures related to the drought declaration.

Emergency Water Account	\$1,800,000 General Fund – State
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